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22 May 1958

CENTRAL INTELLIGENCE BULLETIN



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22 MAY 1958

I. THE COMMUNIST BLOC

Points of Soviet - Egyptian disagreement emerging in aftermath of Nasir's trip to the USSR.

USSR maneuvering to gain from French crisis whether De Gaulle comes to power or not.

New developments on Kapustin Yar missile range.

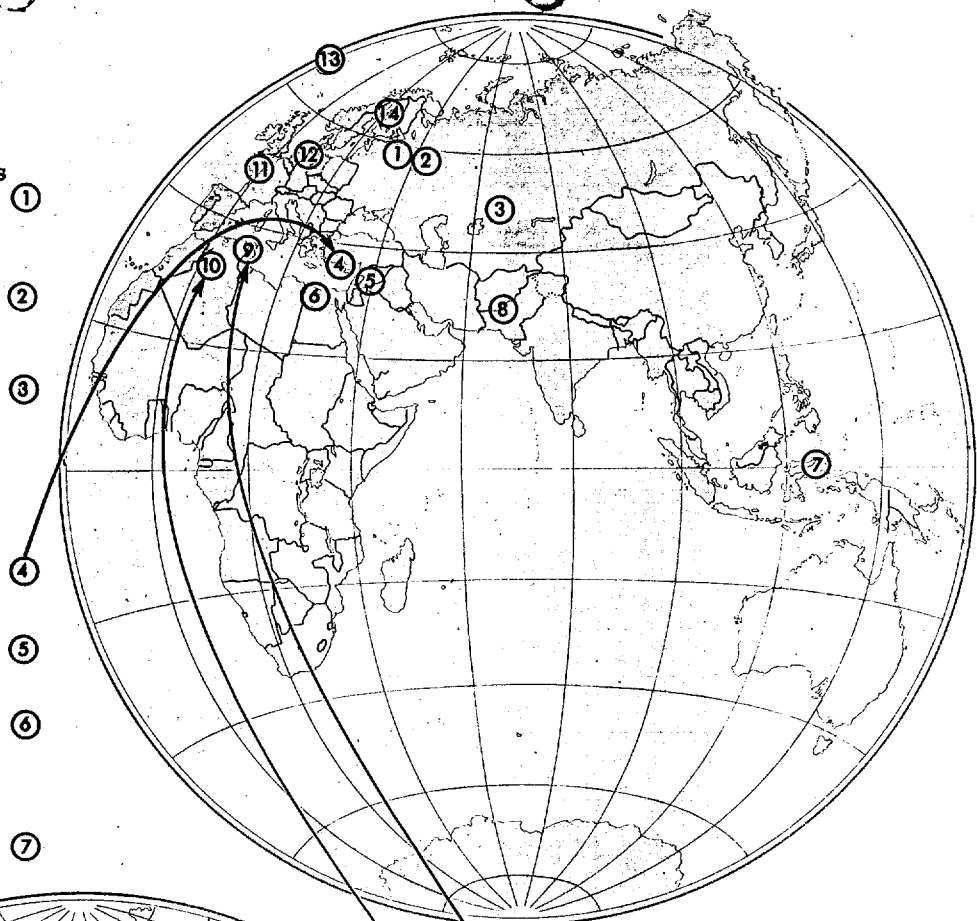
II. ASIA-AFRICA

Lebanon - New military threat to government developing with UAR support; political impasse still unresolved.

Iraqi and Jordanian leaders cooling on concept of their Union.

Egyptian air strength estimate revised upward.

Indonesia - Dissident commander claims recapture of Gorontalo; hints at negotiations with central government.



⑧ Pakistan - President Mirza planning to replace present government and considering dictatorship if first tactic fails.

⑨ Tunisian concern over possible action by French military and presence of Algerian rebels continues.

⑩ Algeria - Algerian rebel headquarters in Cairo denounces General Massu and Soustelle.

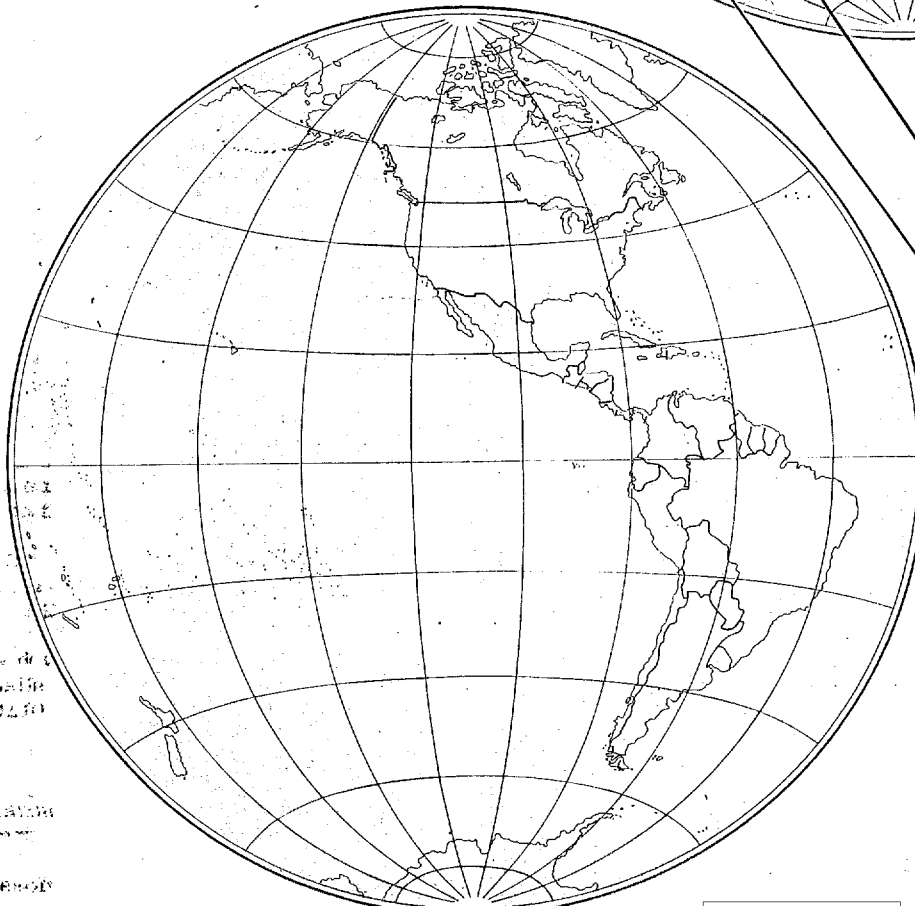
III. THE WEST

⑪ France - Rightists step up pressure to force Pflimlin out.

⑫ West German defense minister angling for domestic press support with private claim that US forced him to accept nuclear weapons.

⑬ Iceland has tentatively accepted \$3,000,000 Soviet loan.

⑭ Finnish President expects Soviet offers of loan and concessions on use of Saimaa Canal.

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22 May 1958

DAILY BRIEF

I. THE COMMUNIST BLOC

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Soviet Union - UAR: Nasir's visit to the USSR was apparently not an unqualified success despite the public impression of "solidarity" on major international issues. Indiscussions with Nasir, Soviet leaders showed displeasure at recent signs of UAR economic rapprochement with the West and Nasir's "uncommitted" posture on non-Arab issues. Nasir succeeded in persuading the USSR to make some reductions in prices to be paid for Soviet economic assistance, but the USSR refused Nasir's request for MIG-19 aircraft. The diplomatic corps noted Nasir-Soviet relations were "formal even cold" at the end of the tour. [redacted] (Page 1)

No

USSR-France: Moscow is presently trying to avoid undercutting French Communist efforts to unite left-wing forces in opposition to De Gaulle, but Soviet officials have hinted in the past that they would welcome certain tendencies of General de Gaulle which have sometimes been interpreted as anti-NATO. [redacted] [redacted]

No

Kapustin Yar missile range: [redacted]
[redacted] the 950-nautical-mile down-range area of the Kapustin Yar ballistic missile test range has been reopened. It has been closed since seven missiles were fired to this area in June-August 1957. There may be a renewal of launching activity to this area or the establishment of increased instrumentation for monitoring launchings from Tyura Tam. [redacted]
[redacted] (Page 3) (Map)

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II. ASIA-AFRICA

No

Lebanon: A new military threat to the government is developing in the northeastern part of the country, where additional arms have been provided, and infiltrators from Syria have joined opposition groups. Pressure on President Chamoun and Army Commander General Shihab to agree to a political compromise is increasing, but the impasse remains unresolved. [] (Page 4)

No

Jordan-Iraq: The public announcement of the creation of a combined cabinet for the Arab Union has been followed by signs that the attitudes of leaders of both governments have cooled considerably toward their union. The political arrangements made in appointing new cabinets for the union and for Iraq and Jordan indicate that the union is likely to remain for some time mostly a paper organization. It is unlikely to attract other adherents among the Arab states or develop new loyalties among its own population and will remain vulnerable to subversive and propaganda attacks from the UAR. [] (Page 5)

No

Egypt: Rapid development of three new dispersal air facilities in the Nile Delta area will provide the Egyptian Air Force (EAF) with 15 airfields with runways over 8,000 feet in length, which are believed capable of supporting jet fighters or jet light bomber operations. The EAF is estimated to have 60 jet light bombers, and jet fighter (MIG-15's and -17's) strength has recently been reassessed upward to 145. The new airfield complex will be able to support a quantity of aircraft greatly in excess of current Egyptian strength; it will also provide maximum dispersal to EAF units. []

No

Indonesia: Col. Sumual, leader of the North Celebes dissidents, claims the recapture of Gorontalo on 20 May. He has publicly offered to negotiate with Djakarta for a "reasonable

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solution." Ambassador Jones comments that President Sukarno's speech on 20 May was obviously directed toward a rapprochement with the US. The chief Indian representative in the UN says that Indonesia will soon write a letter of protest to the president of the UN Security Council about new American arms found in possession of the dissidents.

[redacted] (Page 6)

no Pakistan: President Mirza told the American ambassador on 19 May he plans shortly to replace the present government coalition with a new line-up of parties which he hopes to control and thereby assure his continuance in office. If he is unsuccessful in forcing the new coalition, he intends to resort to dictatorial rule, a move which army commander Ayub now states he will support. [redacted] (Page 7)

no Tunisia: Tunisian officials have again emphasized to US officials their urgent need for arms and, particularly, ammunition. They not only fear that French troops will break out of their Tunisian bases, where they have been confined since 8 February, but they also stress the danger to Tunisia's internal security posed by the presence of large, well-armed Algerian rebel forces which are more powerful than the Tunisian armed forces. [redacted] (Page 8)

[redacted] Algeria: Public manifestations of Moslem support for the "new Algeria" are apparently being organized by the army and local employers, with the Moslems participating because they fear reprisals. The Algerian rebels have not modified their objectives of obtaining independence, and a rebel spokesman in Cairo has denounced the "Massu-Soustelle criminal gang." [redacted] (Page 9)

III. THE WEST

no France: Rightists are stepping up pressure to convince the Pflimlin government the only way to avoid bloodshed is to

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resign and make way for De Gaulle. Although Pflimlin professes determination to continue in office, he apparently has little information on developments in Algiers, and is increasingly worried over contacts between rebellious officers in Algeria and their opposite numbers in France and Germany. Posters in Paris announce formation of a "National Committee of Public Safety." [redacted] (Page 10)

no

West Germany: In an apparent effort to justify his nuclear weapons policy in view of widespread public criticism and to create a more favorable press, Defense Minister Strauss has privately told a group of German journalists that American officials "forced" him to accept such weapons during his Washington visit. Strauss also complained that he is not being properly supported by the Christian Democratic party and that Adenauer "lacks comprehension" of defense problems and is reluctant to make timely decisions. [redacted] (Page 12)

yes

Iceland-USSR: The Icelandic ambassador to Moscow tentatively agreed on 30 April to accept a \$3,000,000, 20-year loan from the USSR to pay for fishing vessels being built in East Germany. This would be the first Soviet loan to Iceland and may presage acceptance of further loans which the USSR has offered. [redacted] (Page 13)

no

Finland-USSR: President Kekkonen apparently expects the USSR to offer a loan and to offer concessions concerning the use of the Saimaa Canal during his state visit to Moscow beginning on 22 May. He is inclined to accept a loan on his own terms, but to reject an offer on the canal issue as jeopardizing future claims to territory Finland lost after World War II. [redacted] (Page 14) (Map)

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I. THE COMMUNIST BLOC

Nasir's Visit to USSR

Nasir's 18-day visit to the USSR, studded with affirmations of Soviet-UAR friendship and "solidarity" on major international issues, may have been something less than an unqualified success despite Khrushchev's claim that complete agreement existed on all questions touching upon "mutual interests." The red-carpet treatment given Nasir and the spate of friendship speeches reinforced the public impression of firm Soviet endorsement of Nasir's bid for leadership of the Arab world. Information so far, however, suggests that Nasir remains suspicious of the USSR, as he is of the West. He probably does not take Soviet promises of general support seriously, although he uses reports of them to try to alarm the West.

Nasir was partially successful in his efforts to reduce the UAR's debt burden. Moscow agreed to a 15-percent cut in the cost of economic assistance to be rendered both regions of the UAR, and to a substantial reduction in installment payments on Syrian arms. [REDACTED]

[REDACTED] Nasir's request for MIG-19 aircraft was turned down on the grounds that Egypt already was "over-equipped" despite Nasir's assertion that MIG-19's were needed to match latest model Western jets now in Israeli hands. The USSR agreed to sell the UAR several TU-104 jet passenger air transports, but refused to cut the asking price of approximately \$3,000,000, well above what the UAR is offering.

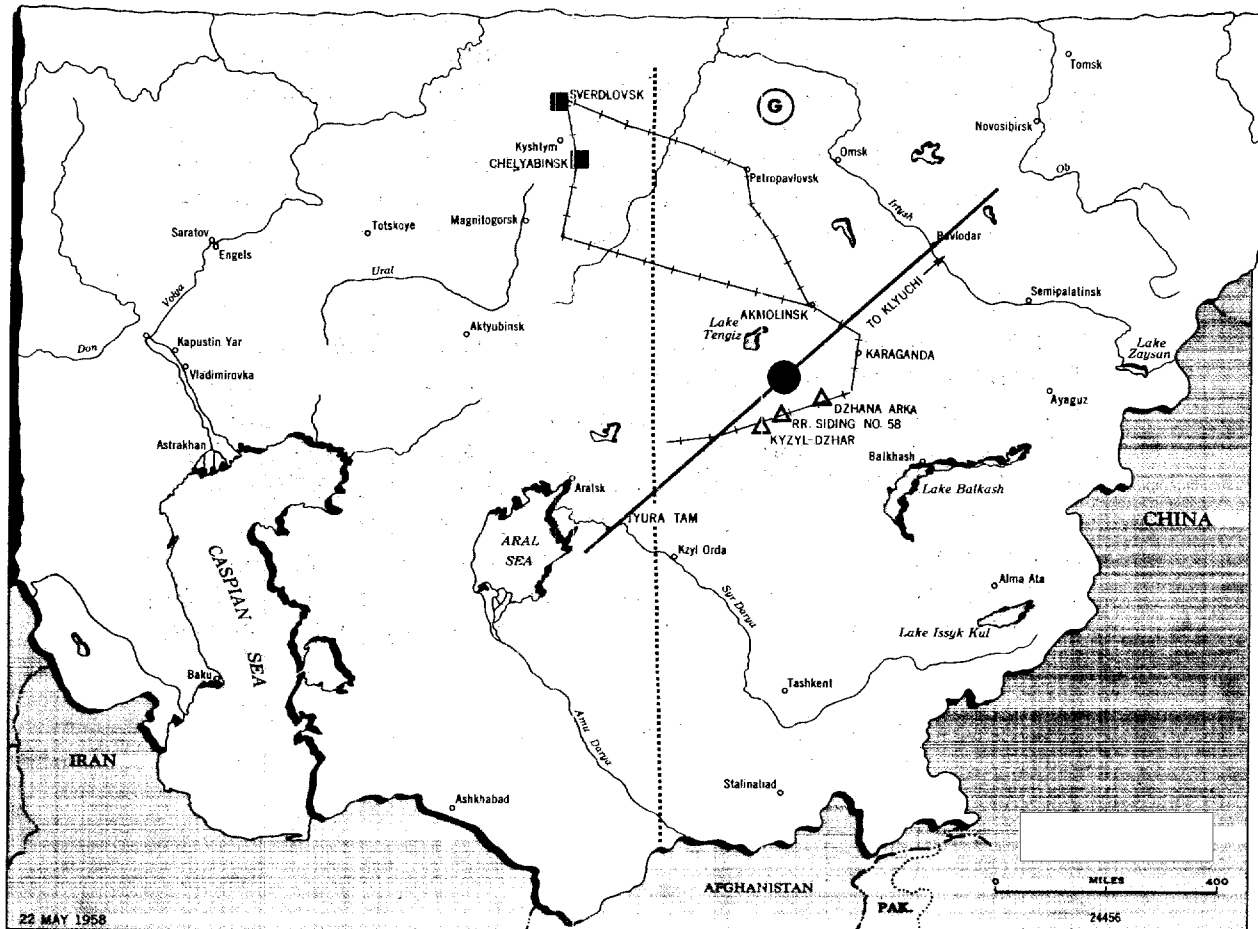
The joint communiqué issued at the conclusion of the visit reaffirmed the identity of Soviet-UAR views on a wide range of subjects and stated that Khrushchev and Voroshilov had accepted Nasir's invitation to visit the UAR at an unspecified date. [REDACTED]

[REDACTED]

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950-NAUTICAL-MILE DOWN-RANGE AREA - KAPUSTIN YAR MISSILE RANGE



- New instrumentation area
- Incoming troop transit points
- ⊙ 950-NM down-range area
- △ Logistic railheads

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New Developments at Kapustin Yar

[redacted] a military base is being established in the 950-nautical-mile impact area of the Kapustin Yar ballistic missile test range. Activities observed include the receipt of quantities of equipment, the installation of new communications and instrumentation gear, reoccupation of a military post by an incoming command, and construction and use of an airfield.

The purpose of this renewed activity is not known. It may be either in preparation for additional test firing of ballistic missiles in the very near future or establishment of additional instrumentation in support of ICBM/ESV launching operations from Tyura Tam. During the period June through August 1957, seven missiles were launched to the 950-mile impact area. Subsequently facilities in the area were noted engaging in the tracking of Sputnik I. The reactivated base lies directly astride a line from Tyura Tam to Klyuchi. [redacted]

[redacted]

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II. ASIA-AFRICA

Lebanese Situation

Tribesmen who are rallying at Lebanese border villages where the Syrian Army has delivered weapons pose an increasing threat to the government's position in northeastern Lebanon. Infiltrators from Syria are reported crossing the border to operate antiaircraft guns and mortars being supplied to the insurgents. These groups may be the forces described in other reports as moving toward Tripoli, where the government has re-established precarious authority. Former Syrian Chief of Staff Shuqayr, a Druze, is claimed by some sources to be taking part in the operations of Kamal Jumblatt, one of the principal insurgent leaders. [REDACTED]

[REDACTED]

Efforts to force President Chamoun to compromise are mounting, but moderate "third force" leaders so far have failed to persuade General Shihab to step into the post of prime minister while Chamoun serves out his term as President, ending in September. Despite this rebuff, the Edde brothers are pushing their efforts to mediate between Chamoun and opposition leaders Rashid Karamah and Saib Salam. The opposition still insists Chamoun must resign. [REDACTED]

[REDACTED]

Fears of Moslem-UAR supremacy over Lebanon and of Christian-Moslem strife are mounting among the Christians. Extent of concern in some Maronite Christian quarters is illustrated by a request from the Phalange, a Maronite paramilitary zealot group, to the French ambassador for arms, demolition experts, and an Israeli diversionary raid against Syria.

In answer to a Lebanese Army request, Britain is providing four Vampire jet fighters which should reach Lebanon from Cyprus on 22 May. [REDACTED]

[REDACTED]

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Inauspicious Outlook for Iraqi-Jordanian Union

The nature of the appointments to the newly formed Arab Union cabinet and the attitude of Iraqi and Jordanian leaders toward their respective roles constitute an inauspicious beginning for an organization which was conceived essentially as an answer to Nasir's United Arab Republic.

The American Embassy in Amman reports that King Husayn and Samir Rifai, head of the new Jordanian government, apparently intend to treat their respective roles as if nothing had actually changed as a consequence of the union with Iraq. The Jordanian disenchantment is attributed to the unwillingness of Iraq's Nuri Said, first Arab Union prime minister, to move rapidly to establish a strong federal government. Nuri is said to have been most reluctant to assume the financial burden of providing essential military and economic support to Jordan, and apparently will seek to evade such obligations if they prove too burdensome. Rifai's decision to remain in Amman also probably reflects realization that his proposed role as Arab Union deputy prime minister under Nuri would not have given him the authority he desired.

The embassy reports that King Husayn apparently feels that his position is weakening, and in keeping Rifai in Amman feels that the chances of the monarchy's survival are enhanced. Earlier, Rifai's retention in Amman had been attributed to fear that the crisis in Lebanon would set off new UAR-sponsored unrest in Jordan. Jordanian security officials are braced for UAR-inspired demonstrations and a possible attempt to assassinate Husayn on 25 May, Jordanian Army Day.

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Situation in Indonesia

President Sukarno's speech celebrating "National Re-awakening Day" on 20 May was more favorable to the US than any he has delivered since the rebellion began, according to Ambassador Jones in Djakarta. Emphasizing that Indonesia has found its own identity, Sukarno quoted Abraham Lincoln as stating that "no nation is good enough to govern another," and said that this applied to the Dutch, the USSR, and the US in relation to Indonesia. Sukarno touched only lightly on the revolts in Sumatra and Celebes and on foreign intervention. Jones observed that the Soviet ambassador was visibly angered by the speech.

India's chief UN delegate Lall stated on 20 May in New York that Indonesia could be expected shortly to address a formal letter to the president of the Security Council protesting new American arms found in the hands of the dissidents. Djakarta has for some time been considering referring the question of "foreign intervention" to the UN but, in view of the recent improvement of its military position in relation to the North Celebes dissidents, it now may feel less urgency about the matter.

Col. Sumual, the dissident commander in North Celebes, has announced that the revolutionary government is prepared to negotiate for a "reasonable" settlement with the central government. The announcement was reportedly timed to coincide with the dissidents' claim to have recaptured Gorontalo, in North Celebes, on 20 May. Gorontalo had been taken by central government forces the day before. According to a reliable source, Sumual had sent reinforcements to retake Gorontalo in an attempt to show that his offer to negotiate did not stem from weakness. [REDACTED]

The commander of the naval base at Surabaya complained to Djakarta on 16 May that Soviet jeep tires were of inferior quality, wearing through in four months compared with the "usual" one-year life of American tires. [REDACTED]

[REDACTED]

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Mirza Intends to Replace Present Pakistani Government

President Mirza has indicated he plans to seize the opportunity presented by Prime Minister Noon's involvement in a defamation-of-character case to replace the present government shortly with a new coalition which he hopes to control, thus assuring Mirza's own continuance in office. Mirza informed the American ambassador on 19 May that if this effort fails he intends to take over as dictator. The ambassador reports that army commander Ayub told him on 19 May that he will support Mirza.

Mirza's primary motivation in dismissing Noon's government, as it was when he installed a similar short-lived coalition late in 1957, is to eliminate the influence of former Prime Minister Suhrawardy, who is the chief support of the present government. The coalition Mirza envisages will be difficult to form because of the diverse elements involved. Should he fail to force formation of such a coalition, any move to assume dictatorial powers would be taken in the face of opposition from most Pakistani politicians.

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The Situation in Tunisia

The Tunisian secretaries of defense and foreign affairs pressed Ambassador Jones on 19 May for an early favorable response to President Bourguiba's 16 May request for "defensive" arms. They specified that Tunisia's most urgent need was for ammunition, and added that Tunisia feared not only French military operations, but also possible subversive activities on the part of the Algerian National Liberation Front (FLN) whose forces in Tunisia, they claim, are "four times larger and infinitely better armed" than Tunisian forces. While the Algerians probably have larger supplies of arms, other sources recently estimated FLN strength in Tunisia at some 3,000 armed men. Tunisian security forces now number 6,600.

Meanwhile, the possibility of clashes between French and Tunisian military units has increased. Tunisian authorities are demanding that French troops, which early on 18 May surrounded a Tunisian roadblock 25 miles north of their base at Remada in remote southern Tunisia, return to their base. Press sources on 21 May claim that a Tunisian Army unit assisted by armed civilian auxiliaries had dug in on a hastily drawn battle line near the Remada base, and the Tunisian press demands the immediate departure of the French commandant at Remada "if not energetic sanctions." Tunisian authorities also claim that French positions are being reinforced by helicopter, and Bourguiba publicly warned that an "explosive situation" had been created by the arrival of four French jet aircraft on 20 May at Gafsa in south central Tunisia. The Tunisian foreign secretary also warned the French chargé on 18 May that if the Remada forces were not regulated, the provisioning of French troops might cease.

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Moslem Attitude in Algeria

The continuing demonstrations of support for the "new Algeria" by considerable numbers of Algerian Moslems appear to be largely artificial, staged by psychological warfare units of the French army and in some cases by local employers. In any event, they are in no way indicative of any weakening in the Algerian National Liberation Front's (FLN) determination to continue its fight for an independent, Moslem-controlled Algeria.

[redacted] some 10,000 Moslems who participated in a demonstration on 19 May as "simple peasant types herded about like sheep" by army personnel with portable electric megaphones. The consul general reported that over-organization was obvious. According to an [redacted] an earlier much-publicized demonstration in the Moslem quarter of Algiers resulted from not-so-subtle prodding on the part of the military, and did not reflect any new or general "rallying" to the French by Moslems. [redacted] that many Moslems are deliberately trying to create such an illusion in the hope of avoiding reprisals if, as they fear, the European extremists now in control should follow their current gestures of friendliness toward the Moslems--which have contributed to a noticeable relaxation of interracial tension--with a new and more vigorous "get tough" policy.

An FLN spokesman broadcasting over Cairo radio has excoriated the "Massu-Soustelle criminal gang" and a top FLN military leader stated in Tunis on 18 May that the rebels have no intention of putting down their arms until the French agree to the principle of independence. Recent claims by French military leaders in Algiers that the Moslem rebels have virtually ceased fighting were apparently made with little regard for reality in order to satisfy the current propaganda line. They have been officially contradicted by the Ministry of Information in Paris, which published statistics on 19 May indicating that rebel activity had continued at a high level since the 13 May coup. [redacted]

[redacted]

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III. THE WEST

French Crisis

Rightist elements are intensifying their activities in an effort to convince the Pflimlin government that the only way to avoid bloodshed and possibly civil war is to resign and make way for De Gaulle. In an apparently concerted series of reports, rightist military and political leaders are spreading the warning that unless Pflimlin resigns there will be direct action by the army from within France or from Algiers. [REDACTED]

Posters appeared in Paris on 20 May announcing the formation of a "National Committee of Public Safety." A communiqué signed by retired Army General Cherrieres, a former commander of the Algiers military region, and Air Force General Chassin, reported in the press as leading an underground movement, stated that the committee is led by a "very high military person" with five civilian and three other military members. Further pressure came in the form of an offer to the government by Antoine Pinay, leader of the right wing of the Independent party, to act as a go-between to negotiate De Gaulle's acceptance of the premiership. This announcement underscores Pinay's persistent refusal to join the Pflimlin government and ends any hope that the government might receive help from this quarter.

The government, professing its determination to remain in office, announced on 21 May that the new French chief of staff, General Lorillot, will go to Algiers in an attempt to re-establish Paris' control. Pflimlin is probably not too hopeful this can be done, and Lorillot's mission may be primarily fact-finding, since the government admittedly has practically no firm information on developments in Algiers.

On 20 May the American consul general in Algiers expressed the view that local influences were increasingly weakening whatever ties General Salan still maintained

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with the French Government. This view seems borne out by Salan's remark to a cheering crowd on 21 May that "we shall march together up the Champs-Elysees."

The Pflimlin government is especially worried over reports that rebellious field-grade officers in Algeria are in communication with their opposite numbers in France and Germany, particularly among armored and air units there.

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West German Defense Minister Favors European Atomic Weapons Production

West German Defense Minister Strauss recently told several German journalists that he was "forced" by US officials to accept American nuclear weapons when he preferred that Europe should produce its own, [REDACTED]

[REDACTED] He also said provision of Europe's weapons by the United States was merely another way of deploying existing American weapons without actually adding to the total European military potential. Strauss was apparently attempting to justify his policies and create a more favorable press for himself.

Strauss was bitterly resentful of having to bear the onus of Germany's unpopular nuclear rearmament program. He also criticized Chancellor Adenauer for "lack of comprehension" of defense problems and reluctance to make the necessary timely decisions. The journalists present were reported to have been impressed with Strauss' growing "megalomania" and preoccupation with personal and national power.

Strauss has frequently expressed his opinion that Bonn must have the most modern weapons and nuclear warheads so that Germany will be strong enough to threaten, as a lever to ensure Western backing, to turn a local conflict into a general war. During the French-Italian-German arms negotiations last November, Strauss is reported to have stated that Europe must acquire its own nuclear capability by 1961, because by that time the US will have an ICBM and will lose interest in overseas bases. [REDACTED]

[REDACTED]

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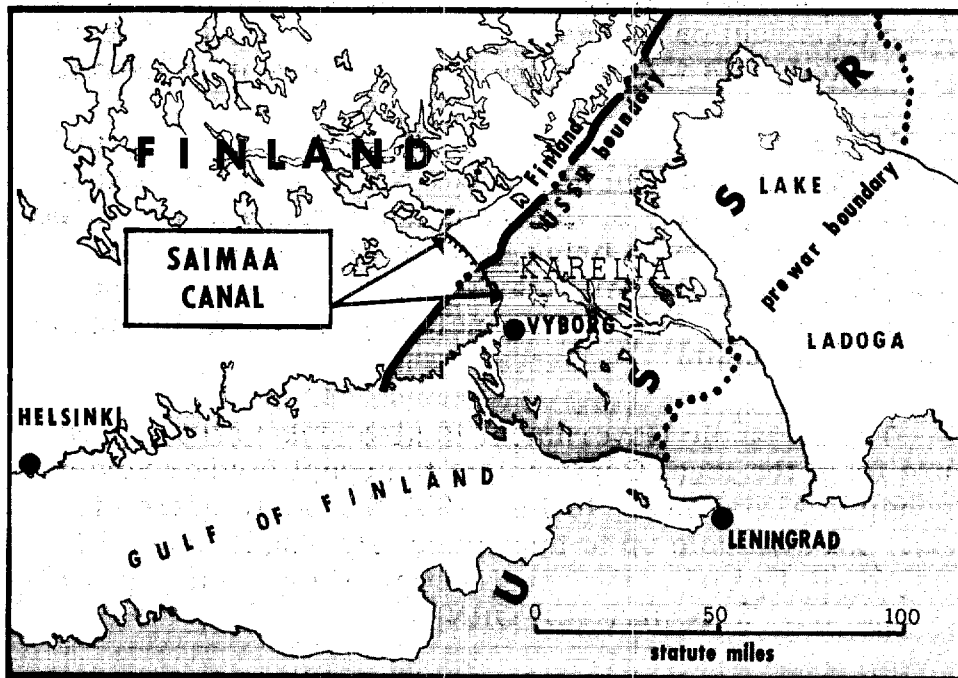
Iceland Negotiates \$3,000,000 Loan From the USSR

The Icelandic ambassador to Moscow has negotiated a 50,000,000-krona (approximately \$3,000,000), 20-year, 2.5-percent loan with the USSR to pay for fishing vessels under construction in East Germany for Iceland. If finally accepted, this would be the first Soviet loan to Iceland.

Iceland gave assurances last November in accepting a \$5,000,000 American loan under NATO auspices that it would not accept any Soviet loans and would adopt economic reforms necessary to bring its distorted economy into balance. The Icelanders may argue that since the contracts for the vessels were concluded last July, the assurances do not apply.

The Icelandic Government is also under strong pressure from the local Communists to accept further Soviet economic assistance. In June 1957 the USSR offered to make aid available up to approximately \$25,000,000, in addition to financing the construction of the fishing vessels in question.

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Finnish President Kekkonen's State Visit to the Soviet Union

Finnish President Kekkonen apparently expects offers of a Soviet loan and some concessions concerning use of the Soviet-controlled section of the Saimaa Canal during his state visit to the USSR beginning on 22 May. He has reportedly decided it would be "too perilous" to accept such a canal offer even if the USSR also permits use of a narrow adjacent corridor of land, presumably because such action would jeopardize future Finnish claims to more extensive territorial revisions. The inclusion of the port city of Vyborg (Viipuri) in this territory, however, would make it difficult for the Finns to reject the offer. In any case, Kekkonen would be under heavy pressure from refugee and nationalist groups in Finland to accept, particularly if there were no objectionable strings attached and future Finnish claims to the Karelian territory lost after World War II were not forfeited.

The Finns will accept a Soviet loan under certain conditions, including satisfactory settlement of the USSR's current trade deficit. Finland wishes to industrialize the northernmost provinces and is seeking loans to develop the transportation network and to tap the mineral resources of the area.

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